

VZCZCXYZ0041
OO RUEHWEB

DE RUEHAC #0054 0271959
ZNR UUUUU ZZH
O 271959Z JAN 09
FM AMEMBASSY ASUNCION
TO RUEHC/SECSTATE WASHDC IMMEDIATE 7553
INFO RUEHBU/AMEMBASSY BUENOS AIRES 3337
RUEHMN/AMEMBASSY MONTEVIDEO 4116

UNCLAS ASUNCION 000054

SIPDIS

SECSTATE FOR EEB/TPP/MTAA/ABT MSZYMANSKI AND JBOBO, WHA/BSC
MDASCHBACH, WHA/PDA CPETERSON, WHA/ESPC FCORNEILLE

E.O. 12958: N/A
TAGS: [SENV](#) [TBIO](#) [ENRG](#) [EAGR](#) [ECON](#) [PGOV](#) [KPAO](#) [ETRD](#) [UR](#)
SUBJECT: ASUNCION PROPOSAL FOR BIOTECHNOLOGY SPEAKER ON
BIOFUELS

REF: 1) STATE 129940; 2) MONTEVIDEO 000032

¶1. Summary: Post wishes to join Montevideo (REFTEL 2) in the organization of a biofuels speaker program to take place in July 2009. Given Paraguay's interest in energy diversification and a pending bilateral renewable energy and biofuels MOU, post believes this funding possibility could spur development of Paraguay's biofuels sector and serve to strengthen our burgeoning scientific ties. End Summary.

PROPOSAL

¶2. Embassy Asuncion requests funds to sponsor a Spanish-speaking expert on biofuels to conduct outreach and a series of specific technical meetings with participants from Paraguay's energy, commerce, and agriculture sectors. The proposed program will focus discussion on issues relevant to Paraguay and the region at large, such as energy efficiency and policy-making. The Embassy will leverage media, government, academia, NGO, and private sector contacts to maximize the impact of this event.

BACKGROUND

¶3. Paraguay imports all the oil it uses. Since 1999, gasoline has been mixed with ethanol at different blending levels. However, 80 percent of fuel consumption is diesel. With biofuels legislation passed in October 2005, the Paraguayan government (GOP) has set forth the following objectives: 1) to diversify the supply of renewable energy; 2) to diminish the dependence on imported fossil fuel; 3) to substitute fossil fuel with renewable fuels; 4) improve environmental quality; 5) develop the farm sector (focused primarily on small producers); and 6) to export ethanol and biodiesel. The USG and GOP are very close to signing an MOU on renewable energy and biofuels. Given Paraguay's good weather and rich soils, there is a significant amount of interest in developing a biofuel market.

PROPOSED PROGRAM

¶4. The three-day program will bring together a U.S. biofuels expert with journalists as well as with policy makers and producers from Paraguay's energy, commerce, and agricultural sectors. It will include workshops and discussions at key government ministries, media interviews, appearances at universities and research institutions, and a visit to the interior of the county to speak to the actors in current production efforts. It will also consist of a series of consultations aimed at expanding the Paraguayan biofuels capacity and feasibility.

¶5. Program specifics with budget breakdown follow:

Participation of 1 US expert for 3 days

Airfare (one-way from Montevideo)	\$530
Hotel	\$393 (3 nights * \$131/night)
M&IE	\$195 (3 days * \$65/day)
 TOTAL	 \$1,118

¶6. Target audiences: Ministry of Industry and Commerce, Vice Ministry of Energy (belongs to the Ministry of Public Works and Communications), Industrial Association of Paraguay, Biofuels and Ethanol Producers Association of Paraguay, and Ministry of Agriculture.

¶7. Purpose and impact: This program will reinforce the single country project IVLP on biofuels, scheduled for May 2009, in which post has arranged for key Paraguayan players to participate. In addition, the USG and GOP have a pending MOU that will advance cooperation on renewable energy and energy efficiency by facilitating scientific, technological, academic, and business cooperation.

¶8. Proposed length of program: July 13-15, 2009; 3 days (2 days in Asuncion, 1 day in the interior)

¶9. Name of responsible officer and contact information:
APAO Sean McIntosh, who can be reached at McIntoshSJ@state.gov or
Tel: (595 21) 213 715 x2086 or Mobile: (595 97) 122-2168.

FITZPATRICK